

## EXPERIMENTAL

### RESIDENTIAL SERVICE RESIDENTIAL NEW CONSTRUCTION PROGRAM RNC-2

#### PURPOSE

The purpose of this program is to incent the installation of high-efficiency heating ventilating and air conditioning ("HVAC") and heat pump water heating ("HPWH") equipment in new residential construction. Additionally, the program incents new construction that falls within the South Carolina Residential Building Code to meet or exceed standards set by the program for the whole house ("Whole House"). If elected by a builder or developer constructing to these standards, the program also offers the homebuyer an incentive guaranteeing the heating and cooling consumption of the dwelling's total annual energy costs.

#### AVAILABILITY

This program is available to builders and developers installing high-efficiency HVAC and HPWH equipment in new single family, manufactured, and multi-family residential housing units that are served under any of PEC's residential schedules.

The program is also available to builders and developers of new single family and multi-family residential dwellings (projects of three stories and less) that comply with all Whole House standards and are served under any of PEC's residential schedules. Manufactured housing, multi-family residential housing projects over three stories, and any other dwellings which do not fall within the South Carolina Residential Building Code, are not eligible for any whole house incentives.

Photovoltaic solar systems installed as part of a new home are allowed, but may not count toward the dwelling's Home Energy Ratings System ("HERS") Index for incentive purposes.

The program is also available to an initial homeowner served under any of PEC's residential schedules for any home constructed to meet or exceed the Whole House standards when the builder or developers elects to extend a heating and cooling energy usage guarantee to the homeowner.

#### INCENTIVE PAYMENTS APPLICABLE TO BUILDERS AND DEVELOPERS

Builders and developers shall receive incentive(s) for either inclusion of high efficiency equipment or construction meeting the program's whole house standards, but not both. Upon PEC's approval of the builder's or developer's application, the following incentive payment(s) are applicable:

<u>Energy Conservation Measure</u>	<u>Incentive Payment</u>	<u>Eligibility Requirement</u>
<i>Equipment Measures</i>		
1. Heat Pump Water Heater	\$350	Energy Factor $\geq 2.0$
2. High Efficiency HVAC:		
- Air-to-Air Heat Pump	\$300	Requires minimum 15 SEER
- Central Air Conditioning	\$300	Requires minimum 15 SEER
<i>Whole House Measures</i>		
1. Whole House	\$1000	Meet Whole House standards
2. Whole House plus HERS 70	\$1750	Meet Whole House and achieve a 70 HERS Index
3. Whole House plus HERS 65	\$2500	Meet Whole House and achieve a 65 HERS Index
4. Whole House plus HERS 55	\$4000	Meet Whole House and achieve a 55 HERS Index

## INCENTIVES APPLICABLE TO HOMEOWNERS

At the sole option of the builder or developer, homeowners may be offered an incentive guaranteeing the heating and cooling portion of the dwelling's total annual energy costs. Homeowners participating in the guarantee may receive a payment based on heating and cooling energy usage that is deemed to exceed the stated guarantee. The guarantee is applicable solely to the initial homeowner and offers payment based on annual usage that exceeds estimated usage based upon Whole House standards used in constructing the dwelling. The guarantee shall apply for no longer than three years from registration. Guarantee incentives are only available at the end of each full year of electric service. Upon PEC's review of valid homeowner claims for payments, including a review of prudent energy management practices as defined in the guarantee application, a homeowner shall receive a qualifying payment.

## RESPONSIBILITY OF PARTIES

Builders and developers shall complete and submit an application with supporting documentation and, if applying for whole house incentives, a copy of the REM/Rate™ Home Summary Report issued by a third-party HERS Rater. The application for equipment incentives must include invoices. Applications for whole house incentives must include compliance verification of Whole House standards and a REM/Rate Home Summary Report as assessed by a qualified HERS rater recognized by the Residential Energy Services Network ("RESNET").

The homeowner shall complete an application, including all supporting documentation, and register the dwelling in the heating and cooling energy usage guarantee program. The homeowner agrees to exercise prudent energy management of the home, as defined in the guarantee application.

## CONTRACT TERM

The builder, developer or a designated representative shall complete and submit an application with supporting documentation, and if applying for whole house incentives, a REM/Rate Home Summary Report, no later than 6 months of completion of the dwelling established as the date PEC's electric meter is installed. Incentive application forms received after 6 months will not be subject to an incentive payment. All dwellings receiving incentives shall be subject to inspection by PEC for the purpose of program evaluation, measurement, and verification.

The homeowner must complete and submit an application, with supporting documentation, for the usage guarantee within no later than 30 days following the home purchase. Applications received after 30 days will not be subject to the guaranteed usage incentive.

## COMPANY RETENTION OF PROGRAM BENEFITS

Incentives and other considerations offered under the terms of this Program are understood to be an essential element in the recipient's decision to participate in the Program. Upon payment of these considerations, Company will be entitled to any and all environmental, energy efficiency, and demand reduction benefits and attributes, including all reporting and compliance rights, associated with participation in the Program.

## GENERAL

Service rendered under this program is subject to the provisions of the Service Regulations of the Company on file with the state regulatory commission.

Effective for service rendered on and after July 11, 2012  
SCPSC Docket 2012-234-E, Order No. 2012-591